

VZCZCXRO0806
PP RUEHBC RUEHDE RUEHDIR RUEHKUK
DE RUEHEG #7208/01 3550742
ZNY SSSSS ZZH
P 210742Z DEC 06
FM AMEMBASSY CAIRO
TO RUEHC/SECSTATE WASHDC PRIORITY 3013
INFO RUCNIRA/IRAN COLLECTIVE PRIORITY

S E C R E T SECTION 01 OF 02 CAIRO 007208

SIPDIS

SIPDIS

NEA FOR ELA AND IR

E.O. 12958: DECL: 12/07/2011

TAGS: [PREL](#) [KNNP](#) [IR](#) [EG](#)

SUBJECT: EGYPTIAN-IRANIAN RELATIONS: WARMING IN PUBLIC ONLY

REF: CAIRO 7008

Classified By Charge d'Affaires Stuart Jones for reasons
1.4(b) and (d).

11. (C) Summary: Visits by Iranian FM Motakki to Cairo and other high-level meetings between Egyptian and Iranian officials in 2006 have created public perceptions of a thaw in the historically chilly relationship, but GOE contacts stress privately that they remain deeply suspicious about Tehran's motives, particularly concerning the Iranian nuclear program, and fear Iran's rising influence in the region. End summary.

Egypt-Iran Relations: Public vs. Private Perspectives

12. (S) According to Embassy contacts, President Mubarak told FM Motakki and Iran's Chief Nuclear Negotiator Larijani during meetings in 2006 that Egypt is not ready to normalize relations. While Mubarak appeared firm in his rebuffs and openly contemptuous of the Iranians, recent high level meetings between Egyptian and Iranian officials suggest the dynamic is shifting in public. According to press accounts, when Prime Minister Nazif met with Iran's Vice-President Parviz Davoudi on the margins of the November World Economic Forum in Turkey, he said Egypt is ready to establish full diplomatic relations with Iran. MFA official Magy Rady clarified on November 27 that Egypt has agreed to enter into political consultations with Iran on regional issues. In private, however, Nazif complained to visiting Congresswoman Diane Watson (reftel) that Davoudi's speech was "arrogant and fiery," reflecting Tehran's sense of its growing regional influence. "He was talking like a voice from Iran in the 1960s. They think they are very powerful, and now the carriers of the flag of Islam." Foreign Ministry contacts confirmed GOE wariness about warming to Iran. One official said that during a recent internal MFA meeting on Iran, officials discussed normalizing relations but were not even authorized to reflect that discussion in the notes of the meeting.

13. (C) Likewise, public reports of economic overtures between Iran and Egypt have little resonance in private. Egypt's Minister of International Cooperation Fayza Aboul Naga met on October 22 with the Head of Iran's Interests Section in Cairo Sayed Hassan Rajabi to discuss increasing cooperation. According to press reports, they discussed signing a framework agreement to enhance cooperation in trade, investment, tourism, transport, culture, science, and banking research. Separately, Iran announced on November 14 that it is preparing to begin negotiations with Egypt and 20 other nations to promote mutual investment. According to contacts at the Ministry of Trade, however, the actual prospects remain dim for enhanced economic ties between Iran and Egypt. Egyptian business people are risk-averse and know

little about the Iranian market, said Sayed Abul Komsan, head of the Ministry's Foreign Trade Sector. Characterizing the Iranian market as opaque and unstable, he said he has seen no hint of interest in trade with Iran.

The Nuclear Element

14. (C) As the father of the proposal to create a Middle East WMD Free Zone, President Mubarak firmly rejects the prospect of a nuclear-armed Iran. He has pressed Iranian officials to cooperate with the IAEA and the international community to address concerns that Iran's nuclear program is not completely peaceful. Nonetheless, Mubarak and other senior GOE officials, including speaker of Parliament Fathi Surour, warn the U.S. not to overreach. A military solution would backfire on U.S. interests and increase Arab support for Iran, officials say. Still, Egypt remains supportive of Iran's right to peaceful nuclear energy, and FM Aboul Gheit's decision to underscore Egypt's support during Motakki's August 14 visit to Cairo was a clear political victory for Tehran. Iran's refusal to cooperate with the international community, or to heed Mubarak's advice, frustrates and worries the GOE. But according to an MFA contact, Iran's conduct is not surprising and Egypt feels there is little anyone can do about this. They concealed their nuclear program from the IAEA for years with no repercussion and have now "managed" the international community deftly to the extent that a response from the UNSC appears unlikely to have the desired impact, the official said.

Troublesome Guests

CAIRO 00007208 002 OF 002

15. (S) During a November 30 meeting, Egyptian Intelligence Chief Omar Soliman discussed Iran with Congressman Christopher Shays. After proposing that Iraq close its borders to Iranian Shia "pilgrims," Soliman recounted how Egypt earlier in the year had granted an Iranian request to participate in the popular Cairo International Book Fair. The Iranians, he said, requested 137 visas which the GOE approved en masse "to keep good relations" with Tehran. However, only four of the Iranians participated in the fair, while the remaining 133 "went all over Egypt," Soliman complained. For each Iranian visitor, Soliman said Egyptian Intelligence assigned four staff members to monitor them for two-weeks. During their visit, the Iranians visited Shia sites, tried to make links with Egyptian Shia families, and tried to convert Sunnis to Shia Islam, he said. They made a "tremendous headache" for us: "wherever they went, they were very active, trying to change people's beliefs." This is exactly what they do in Iraq, he concluded, except "not in the hundreds, but the thousands" facilitated by "half the Iraqi government."

The Devil You Know...

16. (C) Alarmist fears of Iranian domination and discriminatory comments about Shiites in general exist at the highest levels of government. In a 2006 interview with Al Arabiya, Mubarak accused Shiites of being "mostly always loyal to Iran and not to the countries where they live." Mubarak also recently told a U.S. delegation that the Iranians are "mad (crazy) people" but noted the importance of understanding their thinking. In keeping with these comments, Mubarak meets with senior Iranians whenever they come to town.

17. (C) Comment: Egypt may view guarded discussions about economic cooperation and public comments about enhanced

political consultations as a way to hedge its bets with Iran.

The public posturing also may be a nod to Egyptian public opinion, which is sympathetic toward the Iranian government's hard-line stance against Israel and the United States. But given the historic strains in the Egyptian-Iranian relationship and the intensity with which GOE officials' complain privately about the Iranians, these recent public rumblings are unlikely to translate into a near-term warming in Egyptian-Iranian relations.

JONES